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0000045326

DOCUMENT CONTROL

JUN 20 4 57 PM '96

RECEIVED
AZ CORP COMMISSION

May 31, 1996

VIA FEDERAL EXPRESS

Docket Control Center
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

U-2694-96-348

Re: Westel, Inc.

Dear Docket Control Center:

Enclosed for filing are the original and ten (10) copies of Westel, Inc.'s Application and Petition for Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunications Services as a Reseller.

Please acknowledge receipt of this transmittal by returning a date-stamped copy of the enclosed cover letter duplicate in the return envelope provided for that purpose.

Thank you for your assistance in this matter.

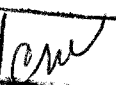
Sincerely,

Susan Davis Morley

SDM:kfj
Enclosures

Arizona Corporation Commission
DOCKETED

JUN 20 1996

DOCKETED BY 

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide
Competitive Intrastate Telecommunications Services as a Reseller

Mail original plus 10 copies of completed application to:

Docket Control Center
 Arizona Corporation Commission
 1200 W. Washington St.
 Phoenix, AZ 85007

If you have current applications pending in Arizona for
 provision of reseller, AOS, or other telecommunication
 services, please identify:

Type of Service: AOS
 Docket No.: U-2694-92-315 Date: 11/5/92

Type of Service: _____
 Docket No.: _____ Date: _____

For Docket Control Only:
 (Place Stamp Here)

DOCUMENT CONTROL

JUN 20 4 57 PM '96

RECEIVED
AZ CORP COMMISSIONDocket No. U-2694-96-348

Date Docketed _____

A. Company and Telecommunications Service Information

(A-1) The name, address, and telephone number of the applicant (company):

Westel, Inc.
 111 Congress Avenue
 Suite 600
 Austin, Texas 78701
 (512) 480-5500

Arizona Corporation Commission
DOCKETED

JUN 20 1996

DOCKETED BY cm

(A-2) If doing business (dba) under a name other than the applicant (company) name listed above, specify:
 n/a

(A-3) The name, address, telephone number, and facsimile number of the management contact:

Gwen M. Rowling
 Westel, Inc.
 111 Congress Avenue
 Suite 600
 Austin, Texas 78701
 (512) 480-5500
 (512) 480-5592 - Facsimile

Application and Petition for Competitive Reseller CC&N

(A-4) The name, address, and telephone of the attorney, if any, representing the applicant:

Susan Davis Morley
Wiggins & Villacorta, P.A.
501 East Tennessee Street
Suite B
Post Office Drawer 1657
Tallahassee, Florida 32308
(904) 222-1534

(A-5) What type of legal entity is the applicant?

☐

Sole proprietorship

☐

Partnership: ___ limited, ___ general, ___ Arizona, ___ Foreign

☐

Limited liability company

☒

Corporation: ___ "S", ___ "C", ___ non-profit, ___ Arizona, ___ Foreign

☐

Other, specify:

(A-6) Include "Attachment A." Attachment A must list names of all owners, partners, limited liability company managers, or corporation officers and directors (specify), and indicate percentages of ownership.

Please see Attachment A.

(A-7) 1. Is your company currently reselling telecommunication service in Arizona? If yes, provide the date or the approximate date that you began reselling service in Arizona. 1990

2. If the answer to 1. is "yes", identify the types of telecommunications services you resell; whether operator services are provided or resold and whether they are provided or resold to traffic aggregators (as defined in A.A.C. Rule R14-2-1001(3), a copy of which is attached); the number of customers in Arizona for each type of service; and the total number of intrastate minutes resold in the latest 12 month period for which data are available. Note: The Commission rules require that a separate CC&N, issued under Article 10, be obtained in order to provide operator services to traffic aggregators.

Westel provides a combination of direct dial and operator assisted intrastate service to Arizona customer, including traffic aggregators. A separate application for provision of operator assisted service is pending before this Commission.

As of March 31, 1996, Westel had approximately 979 Arizona customers. Specific records of intrastate minutes are not available; however, the Company estimates that its Arizona intrastate minutes for the most recent twelve month period total 2,800,000 or less.

3. If the answer to 1. is "no", when does your company plan to begin reselling service in Arizona?

Application and Petition for Competitive Reseller CC&N

- (A-8) Include "Attachment B." Attachment B, your proposed tariff, must include proposed rates and charges for each service to be provided, state the tariff (maximum) rate as well as the price to be charged, and state other terms and conditions, including deposits, that will apply to provision of the service(s) by your company.

Please see Attachment B.

The Commission provides pricing flexibility by allowing competitive telecommunications service companies to price their services at levels equal to or below the tariff (maximum) rates. The prices to be charged by the company are filed with the Commission in the form of price lists. See the "Illustrative Tariff/Price List Example" attached. Note: Price list rate changes that result in rates that are lower than the tariff rate are effective upon concurrent notice to the Commission (See Rule R14-2-1109(B)(2)). See Rule R14-2-1110 for the procedures to make price list changes that result in rates that are higher than the tariff rate.

- (A-9) The geographic market to be served is:

☒

statewide.

☐

other, describe and provide a map depicting the area.

- (A-10) List the states in which you currently resell services similar to those you intend to resell in Arizona.

Westel is currently providing service in Arkansas, Colorado, Kansas, Louisiana, Missouri, Oklahoma and Texas.

- (A-11) Provide the name, address, and telephone number of the company's complaint contact person.

Gwen Rowling
111 Congress Avenue, Suite 600
Austin, Texas 78701
(512) 480-5500

- (A-12) Provide a list of states in which you have sought authority to resell telecommunications services and in which the state granted the authority with major changes and conditions or did not grant your application for those services. For each state listed, provide a copy of the commission's decision modifying or denying your application for authority to provide telecommunications services.

N/A

- (A-13) Has the company been granted authority to provide or resell telecommunications services in any state where subsequently the authority was revoked? If "yes", provide copies of the state regulatory commission's decision revoking its authority.

No

Application and Petition for Competitive Reseller CC&N

(A-14) Has the company been or is the company currently involved in any formal complaint proceedings before any state or federal regulatory commission? If "yes", in which states is the company involved in proceedings and what is the substance of these complaints. Also, provide copies of commission orders that have resolved any of these complaints.

No

(A-15) Has the applicant been involved in any civil or criminal investigations related to the delivery of telecommunications services within the last five years? If "yes", in which states has the applicant been involved in investigations and why is the applicant being investigated?

No

(A-16) Has the applicant had judgment entered against it in any civil matter or been convicted of criminal acts related to the delivery of telecommunications services within the last five years? If yes, list the states where judgment or conviction was entered and provide a copy of the court order.

No

B. Technical Information

(B-1) If your company is a switchless reseller, provide the name of the company or companies whose services you resell and skip to question (B-2). If you are not a switchless reseller, complete the remainder of this section.

Include "Attachment C." Attachment C should provide the following information: A diagram of the applicant's basic call network used to complete Arizona intrastate telecommunications traffic. This diagram should show how a typical call is routed in both its originating and terminating ends (i.e. show the access network and call completion network).

Also include on the diagram the carrier(s) used for each major network component and indicate if the carrier is facilities-based or not. If the carrier is not facilities-based, indicate who owns the facilities (within the State of Arizona) that are used to originate and terminate the applicant's intrastate telecommunications traffic (i.e. provide a list of the Arizona facilities-based long distance carriers whose facilities are used to complete the applicant's intrastate traffic).

Please see Attachment C.

(B-2) Will your customers be able to access alternative toll service providers or resellers via 1+ or 10XXX access, if your system becomes non-operational?

Westel will not block access to any carrier.

C. Financial Information

(C-1) Include "Attachment D." Attachment D should provide copies of the following audited financial information for the most recent two years for all Arizona operations. Check boxes indicating items attached.

☒

current intrastate balance sheet

☒

current intrastate income statement

☒

current intrastate cash flow statement

☐

other financial information evidencing financial resources.

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations related to the regulation of telecommunications services and that the company will abide by Arizona State law including the Arizona Corporation Commission Rules and Regulations. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

Gwen M. Rowling
(Signature of Authorized Representative)

5-30-96
(Date)

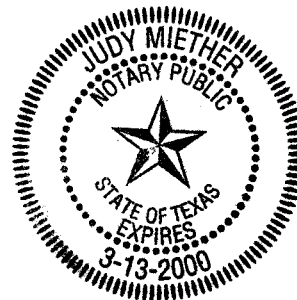
Gwen M. Rowling
(Printed Name of Authorized Representative)

Director of Business/Government Relations
(Title)

SUBSCRIBED AND SWORN to before me this 30 day of May, 1996

Judy Miether
NOTARY PUBLIC

My Commission Expires 3-13-2000



ATTACHMENT A

Westel, Inc.

| | |
|---|-----|
| Tommy K. Garner, President and Director | 45% |
| Ellen F. Garner, Secretary/Treasurer | 45% |
| C.C. Friedrichs | 10% |

ATTACHMENT B

WESTEL, INC.

A.C.C. Tariff No. 2

Title Page, Original

Interexchange Service Tariff

RESALE TARIFF OF

WESTEL, INC.

This tariff contains the rules, regulations, descriptions, and rates applicable to the furnishing of Intrastate Resale Common Carrier Communications offered by Westel, Inc. between points within Arizona.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

A.C.C. Tariff No. 2

Page 1, Original

Interexchange Service Tariff

CHECK SHEET

The Title Page and Pages 1 through 40, inclusive, of this tariff are effective as of the date shown. Original and revised pages, as named below, contain all changes from the original tariff that are in effect on the date thereon except as otherwise noted.

PAGE

REVISION LEVEL

ALL PAGES ORIGINAL

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

TARIFF FORMAT

Page Numbering - Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially. From time to time new pages may be added to the tariff. When a new page is added between existing pages a decimal is added to the preceding page number. For example, a new page added between Pages 3 and 4 would be numbered 3.1.

Explanation of Symbols - When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised page(s) through the use of the following symbols:

- (C) - To signify changed regulation.
- (D) - To signify discontinued rate or regulation.
- (I) - To signify increased rates.
- (M) - To signify material relocated from one page to another without change.
- (N) - To signify new rate, regulation, or text.
- (R) - To signify reduced rate.
- (S) - To signify reissued material.
- (T) - To signify a change in text, but no change in rate or regulation.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

A.C.C. Tariff No. 2

Page 3, Original

Interexchange Service Tariff

TABLE OF CONTENTS

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ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

A.C.C. Tariff No. 2
Page 4, Original

Interexchange Service Tariff

Application of Tariff

This tariff contains the regulations and rates applicable to the furnishing of intrastate resale common carrier communications service by Westel, Inc. within the State of Arizona.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

ACC - Arizona Corporation Commission.

Access Line - An arrangement which connects the customer's location to a Westel, Inc. switching center or point of presence.

Account Codes - Optional, customer defined digits that allow the customer to identify the individual user, department or client associated with a call.

Automatic Dialer - A device provided by the Carrier which when attached to the customer's telephone equipment dials the Carrier's facilities, emits a preprogrammed authorization code and forwards the long distance number as dialed by the Customer.

Authorization Code - A unique numerical code assigned to a customer to provide access to Carrier facilities for long distance services. The unique code then allows for billing of long distance calls to the appropriate Customer account.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Company or Carrier - Westel, Inc. unless otherwise clearly indicated by the context.

Day - From 8:00 AM up to but not including 5:00 PM local time Monday through Friday.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday.

LEC - Local Exchange Company.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, CON'T.

Special Access Origination - Where originating access between the customer and the interexchange carrier is provided on dedicated circuits.

Switched Access Origination - Where originating access between the customer and the interexchange carrier is provided on local exchange company Feature Group circuits.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purpose of rating calls.

Westel - Used throughout this tariff to mean Westel, Inc. unless clearly indicated otherwise by the text.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Westel, Inc.

Westel's services and facilities are furnished for interLATA communications originating at specified points within the State of Arizona under terms of this tariff.

Westel installs, operates, and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. Westel may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Westel. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 Westel reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.

2.2 Limitations, cont.

2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

2.2.4 The Company reserves the right to discontinue service, when any governmental or regulatory condition imposed upon Westel materially and negatively impacts the financial viability of the service as determined by Westel in its best business judgment.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

2.4.1 Westel's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.

2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.

2.4 Liabilities of Company, cont.

- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

2.5 Deposits and Advance Payments

The Company may require a deposit or advance payment from the Customer. Deposits and advance payments are collected in accordance with Commission rules.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.**2.6 Taxes**

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates. Any governmental assessments, fees, licenses, or other similar taxes, or fees imposed upon the Company will be added pro rata, insofar as practical, to the rates and charges stated in the Company's rate schedules. Company shall add to the bills of Customers an amount sufficient to recover any such tax or fee.

2.7 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key systems or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service.

2.8 Installation

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this tariff.

ISSUED:**EFFECTIVE:**

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.**2.9 Payment for Service**

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by Westel. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company, interexchange carrier, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the ACC. Any objections to billed charges must be promptly reported to the Company or the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate. Any objections to billed charges must be promptly reported to the Company or the Company's billing agent. Customers may contact the Company at 111 Congress Avenue, Suite 600, Austin, Texas 78701, whose telephone number is (512) 480-5500.

2.10 Cancellation by Customer

Unless covered by a term agreement, Customer may cancel service by providing 30 days written notice to the Company.

2.11 Interconnection

Service furnished by Westel may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with Westel's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer.

ISSUED:**EFFECTIVE:**

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.**2.12 Refusal or Discontinuance by Company**

Westel may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given 15 days written notice to comply with any rule or remedy any deficiency:

- 2.12.1 For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- 2.12.2 For use of telephone service for any other property or purpose than that described in the application.
- 2.12.3 For neglect or refusal to provide reasonable access to Westel or its agents for the purpose of inspection and maintenance of equipment owned by Westel or its agents.
- 2.12.4 For noncompliance with or violation of Commission regulation or Westel's rules and regulations on file with the Commission, provided five days' written notice is given before termination.
- 2.12.5 For nonpayment of bills, provided that suspension or termination of service shall not be made without five days written notice to the Customer, except in extreme cases.
- 2.12.6 Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect Westel's equipment or service to others.
- 2.12.7 Without notice in the event of tampering with the equipment or services owned by Westel or its agents.

ISSUED:**EFFECTIVE:**

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.

2.12 Refusal or Discontinuance by Company, cont.

2.12.8 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Westel may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

2.12.9 Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Carrier from furnishing such services.

2.12.10 For extended periods of inactivity.

2.13 Interruption of Service

Credit allowances for interruptions of service which are not due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Carrier's terminal. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.

2.14 Restoration of Service

The use and restoration of service shall be in accordance with the rules and regulations of the ACC.

2.15 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.16 Tests, Pilots, Promotional Campaigns and Contests

The Carrier may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Carrier may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the Carrier. From time to time, the Company may waive all processing fees for a Customer.

2.17 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.18 Late Fee

A late fee of 1.5% monthly may be charged on any past due balances beginning 30 days from the mailing date of the bill.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 2 - RULES AND REGULATIONS, CONT.

2.19 Returned Check Charges

A fee of \$20.00, or five percent of the amount of the check, whichever is greater, may be charged for each check returned for insufficient funds.

2.20 Reconnection Charge

A reconnection fee of \$25.00 per occurrence may be charged when service is re-established for customers who have been disconnected for non-payment.

2.21 Resp. Org. Function

Westel will perform the function of Responsible Organization (Resp. Org.) for all Westel 800 Service orders unless the Customer requests another Resp. Org. In the event that a Customer cancels its Westel Resp. Org. or 800 Service, the Customer shall be responsible for all outstanding indebtedness to the Company and any outstanding charges applicable to any services obtained by or on behalf of the Customer by Westel. Westel reserves the right not to honor the Customer's request for a Resp. Org. change until such outstanding charges are paid in full.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 Long distance usage charges are based on the actual usage of Westel's network. The Company will determine that a call has been established through industry standard answer detection methods including, where available, by signal from the local telephone company.
- 3.1.2 Minimum billed call duration and billing increments differ from product to product. Product specific information is included in Section 4 of the Rate Schedules.
- 3.1.3 Usage is measured and rounded to the next higher billing increment for billing purposes.
- 3.1.4 There is no billing applied for incomplete calls.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.2 MTS Service**

MTS Service is a switched access, time of day sensitive, measured service designed for residential and small business customers. There are no installation charges or fixed monthly charges. Usage is billed in one minute increments with a one minute minimum. No monthly fees or monthly minimum usage requirements apply.

3.3 Two Step

Two Step Service is available to all classes of Customers but is designed primarily for business customers with usage in excess of \$50 per month. A monthly account charge applies, but is waived based on call volume. Two Step uses existing local exchange lines. Usage is billed in six second increments with a thirty second minimum call duration.

3.4 Two Step II

Two Step II is available to all classes of Customers, but is designed primarily for business customers with usage in excess of \$500 per month, including one 800 inbound line. A monthly account charge applies, but is waived if based on call volume and subscription to at least one 800 inbound line on Westel's Two Step II Inbound Service. Two Step II uses existing local exchange lines. Usage is billed in six second increments with a thirty second minimum call duration.

3.5 Easy One Wats

Easy One Wats Service is a switched access, time of day sensitive, non-mileage sensitive, measured service. Usage is billed in six second increments with a thirty second minimum call duration. Easy One Wats uses existing local exchange lines. Monthly recurring charges apply.

ISSUED:**EFFECTIVE:**

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.6 Dial One Wats Service**

Dial 1 Wats Service is a switched access, time of day sensitive, non-mileage sensitive (intrastate) service. Monthly recurring charges apply. Usage is billed in six second increments with a thirty second minimum call duration. Dial One Wats uses existing local exchange lines. This service applies retroactive volume discounts to intrastate usage.

3.7 Select

Select Service is a switched access, time of day sensitive, non-mileage sensitive service. Usage is billed in six second increments with a thirty second minimum call duration. Select uses existing local exchange lines.

3.8 Top 20

Top 20 Service is a switched access, time of day sensitive, non-mileage sensitive service. Usage is billed in six second increments with a thirty second minimum call duration. Top 20 uses existing local exchange lines. A monthly account fee applies, but may be waived based on monthly usage.

3.9 World Class 2000

World Class 2000 is a switched access, time of day sensitive, non-mileage sensitive service. Usage is billed in six second increments with a six second minimum call duration. The Customer commits to a one year term. A monthly account fee applies, but may be waived based on monthly usage.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.10 World Class T-1**

World Class T-1 Service is a dedicated T-1 access, non-mileage sensitive service designed for business customers. Customer will be charged installation and recurring loop costs as determined by the local exchange carrier or other authorized carrier for provisioning of the T-1 access to Westel. Usage is billed in six second increments with a six second minimum call duration. Customer commits to a guaranteed minimum monthly usage amount. If the net monthly usage is less than the guaranteed minimum, the Customer will be billed the guaranteed minimum. Total combined outbound and inbound usage will be used to meet monthly guaranteed minimum. Customer may use this service on a month-to-month basis or commit to a term period of 12 months, 24 months or 36 months.

3.11 Super Wats I Service

Super Wats I Service is a dedicated T-1 access, time of day sensitive, non-mileage (intrastate), service designed for business customers. Customer will be charged installation and recurring loop costs as determined by the local exchange carrier or other authorized carrier for provision of the T-1 access to Westel. Usage is billed in six second increments with a six second minimum call duration. Volume discounts apply.

3.12 Super Wats II Service

Super Wats II Service is a dedicated ("Dedicated Access Line" or "DAL"), time of day sensitive, non-mileage sensitive (intrastate) service designed for business customers. The Customer will be charged installation and recurring costs as determined by the local exchange carrier for provision of the dedicated access lines to Westel. An additional monthly line charge applies. Usage is billed in six second increments with a six second minimum call duration.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.13 Super Wats III Service**

Super Wats III Service is a dedicated, ("Wats Access Line" or "WAL"), time of day sensitive, non-mileage sensitive (intrastate) service designed for business customers. A non-recurring installation charges and a monthly special access line charge applies. Usage is billed in six second increments with a six second minimum call duration.

3.14 Super Wats I Term Plan

Super Wats I Term Plan Service is a dedicated T-1 access service. Customer commits to a specific term length (12 months, 18 months, 24 months, or 36 months) and a specific guaranteed monthly usage level. If the net monthly usage is less than the guaranteed minimum, the Customer will be billed the guaranteed minimum. Total combined outbound and inbound usage will be used to meet monthly guaranteed minimum. Call detail is available for an additional monthly fee. Customer will be charged installation and recurring loop costs as determined by the local exchange carrier or other authorized carrier for provision of the T-1 access to Westel. Usage is billed in six second increments with a six second minimum call duration.

3.15 Inbound 800 Switched Month to Month Service

Inbound 800 Switched Month to Month Service offer time of day sensitive rates with volume discounts. This service utilizes existing local exchange lines. Calls are billed in six second increments with a thirty second minimum call duration. A non-recurring installation and monthly recurring charges apply. Call detail is available for an additional monthly fee.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.16 Inbound 800 Switched 800 Term Service**

Inbound 800 Switched 800 Term Service offers time of day sensitive rates. The Customer commits to a 12 month term. This service utilizes existing local exchange lines. Calls are billed in six second increments with a thirty second minimum call duration. A non-recurring installation charge and monthly recurring charge applies. Call detail is available for an additional monthly fee.

3.17 Inbound Top 20 800 Service

Inbound Top 20 800 Service offers time of day sensitive rates with volume discounts. This service is available to Customers who also subscribe to Westel's Top 20 outbound switched access service. The service utilizes existing local exchange lines. Calls are billed in six second increments with a thirty second minimum call duration. A non-recurring installation charge and monthly recurring charges apply. Call detail is available for an additional monthly fee.

3.18 Inbound Two Step II 800 Service

Inbound Two Step II 800 Service is a switched access service that utilizes existing local exchange lines. This product is offered to Customers who also subscribe to Westel's Two Step II Outbound Service. A non-recurring installation fee is applicable per 800 service order. A monthly account charge also applies, but may be waived if the Customer has at least one phone line on Westel's Inbound Two Step II 800 Service. Calls are billed in six second increments with a thirty second minimum call duration.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.

3.19 Inbound Easy One Wats Service

Inbound Easy One Wats 800 Service is a switched access service that utilizes existing local exchange lines. This product is offered to Customers who also subscribe to Westel's Easy One Wats Outbound Service. A non-recurring \$15 installation fee is applicable per 800 service order. A \$5 monthly account charge is applicable for 800 call detail. A \$5 monthly charge per 800 number is applicable. Calls are billed in six second increments with a thirty second minimum call duration. Volume discounts are applicable to 800 inbound usage.

3.20 Select 800 Inbound Service

Select 800 Inbound Service is a switched access service that utilizes existing local exchange lines. It is offered to Customers who also subscribe to Westel's Select outbound service. Calls are billed in six seconds with a thirty second call duration minimum. A non-recurring installation charge and monthly product charges apply. Call detail is available for an additional monthly charge.

3.21 World Class 2000 Inbound Service

World Class 2000 Inbound is a switched access, time of day sensitive, non-mileage sensitive service. Usage is billed in six second increments with a six second minimum call duration. The Customer commits to a one year term. Installation fees and monthly recurring charges apply. Call detail is available for an additional monthly fee.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.22 Super Wats I 800 Inbound Service**

Super Wats I 800 Inbound Service is a dedicated T-1, time of day sensitive, non-mileage sensitive (intrastate) service designed for business customers. The Customer will be charged installation and recurring costs as determined by the local exchange carrier for provision of the dedicated access lines to Westel. Call detail is available for an additional monthly fee. Installation charges and monthly recurring charges apply. Usage is billed in six second increments with a six second minimum call duration.

3.23 Super Wats I Term Plan 800 Inbound Service

Super Wats I Term Plan 800 Inbound Service is a dedicated T-1 access service. Customer commits to a specific term length (12 months, 18 months, 24 months, or 36 months) and a specific guaranteed monthly usage level. If the net monthly usage is less than the guaranteed minimum, the Customer will be billed the guaranteed minimum. Total combined outbound and inbound usage will be used to meet monthly guaranteed minimum. Customer will be charged installation and recurring loop costs as determined by the local exchange carrier or other authorized carrier for provision of the T-1 access to Westel. Usage is billed in six second increments with a six second minimum call duration. A monthly account fee applies. Call detail is available for an additional monthly fee.

3.24 Super Wats II 800 Inbound Service

Super Wats II 800 Inbound Service is a dedicated ("Dedicated Access Line" or "DAL"), time of day sensitive, non-mileage sensitive (intrastate) service designed for business customers. The Customer will be charged installation and recurring costs as determined by the local exchange carrier for provision of the dedicated access lines to Westel. Usage is billed in six second increments with a six second minimum call duration. Installation charges and monthly recurring charges apply. Monthly call detail is available for an additional charge.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.**3.25 Inbound Super Wats III 800 Service**

Inbound Super Wats III 800 Service Dedicated Service is a dedicated, Wats Access Line, time of day sensitive, non-mileage sensitive (intrastate) service. This service is offered to Customers who also subscribe to Westel's Super Wats III outbound dedicated service. The Customer will be charged installation fee of \$175 per line and recurring costs of \$25 per line for the provision of the Wats Access Line(s). Usage is billed in six second increments with a six second minimum call duration. Installation charges and monthly recurring charges apply. Monthly call detail is available for an additional charge.

3.26 World Class T-1 800 Inbound Service

World Class T-1 800 Inbound Service is a dedicated T-1 access, non-mileage sensitive service designed for business customers. This service is offered to Customers who also subscribe to World Class T-1 outbound service. Customer will be charged installation and recurring loop costs as determined by the local exchange carrier or other authorized carrier for provisioning of the T-1 access to Westel. Usage is billed in six second increments with a six second minimum call duration. Customer commits to a guaranteed minimum monthly usage amount. If the net monthly usage is less than the guaranteed minimum, the Customer will be billed the guaranteed minimum. Total combined outbound and inbound usage will be used to meet monthly guaranteed minimum. Customer may use this service on a month-to-month basis or commit to a term period of 12 months, 24 months, or 36 months.

3.27 Travel Service

Westel's Travel Service allows Customers to make long distance calls using an 800 number. By use of an authorization code, calls are billed to the Customer's Westel account. Access is available from any Touch Tone telephone line. No monthly charges or surcharges are associated with this service. Usage is billed in one minute increments with a one minute minimum call duration.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.

3.28 Association Programs

Association Programs are switched access, time of day sensitive, non-mileage sensitive services designed for associations and their members. A commission is paid to the association for each participating member's monthly long distance usage.

3.29 Project Codes

Project Codes are optional codes that the Customer may select in order to track calls. Both verified and non-verified codes are available.

3.30 Authorization Codes

Authorization Codes are optional codes that the Customer may select in order to track calls.

3.31 Optional Billing Packages

Customer may select optional billing packages, Group or Master Billing formats, in order to group calls from a single location or multiple locations.

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SECTION 3 - DESCRIPTION OF SERVICE, CONT.

3.32 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between the serving wire center locations associated with the originating and terminating points of the call.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the serving wire center of the Customer's switch and the destination point.

Step 2 - Obtain the difference between the "V" coordinates of each of the serving wire centers. Obtain the difference between the "H" coordinates.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating serving wire centers of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

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SECTION 4 - MAXIMUM RATES

4.1 Computation of Charges

Usage charges for service will be based on the total duration of the call, the time of day at which the service was used and applicable monthly charges.

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SECTION 4 - MAXIMUM RATES, CONT.

4.2 OUTBOUND MTS SERVICE

| MILEAGE | DAY | | EVE | | N/WE | |
|---------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Initial | Each Add'l | Initial | Each Add'l | Initial | Each Add'l |
| | <u>Minute</u> | <u>Minute</u> | <u>Minute</u> | <u>Minute</u> | <u>Minute</u> | <u>Minute</u> |
| 0-10 | \$.185/ | .165 | .155/ | .135 | .135/ | .135 |
| 11-22 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 23-55 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 56-124 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 125-292 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 293+ | .195/ | .185 | .155/ | .145 | .135/ | .125 |

4.3 OUTBOUND TWO STEP SERVICE

STEP I \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .140 | .135 | .135 |
| INTERLATA | ALL | .150 | .145 | .140 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|------------|---------|------|---------|---------------|
| INTRALATA | ALL | .135 | .130 | .125 |
| INTRASTATE | ALL | .145 | .140 | .135 |

Monthly Fee (Steps I & II): \$5.00*

* The monthly fee will be waived if monthly usage exceeds \$50.00.

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SECTION 4 - MAXIMUM RATES, CONT.**4.4 OUTBOUND TWO STEP II SERVICE**

STEP I \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTERLATA | ALL | .130 | .125 | .125 |
| INTRALATA | ALL | .125 | .120 | .120 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .120 | .115 | .115 |
| INTERLATA | ALL | .125 | .120 | .120 |

MONTHLY FEE: \$5.00*

* The monthly fee will be waived for customers of Two Step II Inbound Service, whose total monthly usage exceeds \$500.00.

4.5 OUTBOUND EASY ONE WATS SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .140 | .110 | .110 |

MONTHLY FEE: \$5.00

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SECTION 4 - MAXIMUM RATES, CONT.**4.6 OUTBOUND DIAL 1 WATS SERVICE**

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .170 | .150 | .150 |

| | |
|------------------|-----------------------------|
| VOLUME DISCOUNT: | \$ 100.00 - \$ 499.99 = 5% |
| | \$ 500.00 - \$1499.99 = 10% |
| | \$1500.00 - \$2999.99 = 15% |
| | \$3000.00+ = 20% |

MONTHLY FEE: \$10

4.7 OUTBOUND SELECT SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .160 | .140 | .120 |

4.8 OUTBOUND TOP 20 SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .140 | .110 | .110 |

MONTHLY FEE: \$15.00*

* The monthly fee will be waived where monthly usage exceeds \$150.00.

4.9 OUTBOUND WORLD CLASS 2000 SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .120 | .120 | .120 |

MONTHLY FEE: \$15.00*

* The monthly fee will be waived where monthly usage exceeds \$100.00.

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SECTION 4 - MAXIMUM RATES, CONT.**4.10 OUTBOUND WORLD CLASS 2000 T-1 SERVICE**

| USAGE | MO. TO MO. | 12 MO. | 24 MO. | 36 MO. |
|----------|------------|---------|---------|---------|
| \$3,500 | \$.1000 | \$.0950 | \$.0900 | \$.0850 |
| \$7,500 | \$.0975 | \$.0900 | \$.0850 | \$.0800 |
| \$15,000 | \$.0950 | \$.0850 | \$.0800 | \$.0775 |
| \$25,000 | \$.0925 | \$.0800 | \$.0750 | \$.0725 |
| \$50,000 | \$.0900 | \$.0750 | \$.0725 | \$.0700 |

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 LINE COSTS: ACTUAL TELCO COSTS

THE NET MONTHLY USAGE LEVEL COMMITMENT IS A GUARANTEED MINIMUM
BILLED AMOUNT

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL FEE: \$50

4.11 OUTBOUND SUPER WATS 1 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|---------|---------------|
| ALL | \$.1050 | \$.1000 | \$.1000 |

VOLUME DISCOUNTS: \$ 5,000.00 - \$14,999.99 = 5%
\$15,000.00+ = 10%

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 COST: ACTUAL TELCO COSTS
CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

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SECTION 4 - MAXIMUM RATES, CONT.

4.12 OUTBOUND SUPER WATS II SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.1000 | \$.1000 |

MONTHLY DAL LINE CHARGE: ACTUAL TELCO COSTS PLUS \$15
INSTALLATION DAL LINE CHARGE: ACTUAL TELCO COSTS

4.13 OUTBOUND SUPER WATS III SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|---------|---------------|
| ALL | \$.1250 | \$.1150 | \$.1150 |

MONTHLY WAL LINE CHARGE PER LINE: \$25
INSTALLATION WAL LINE CHARGE PER LINE: \$175

CALL DETAIL \$50.00 MONTH

4.14 OUTBOUND SUPER WATS 1 TERM PLAN SERVICE

| MINIMUM BILLING | TERM IN MONTHS | | | |
|-----------------|----------------|-------|-------|-----|
| | 12 | 18 | 24 | 36 |
| \$ 3,500 | .0975 | .0950 | .0925 | ICB |
| \$ 5,000 | .0900 | .0875 | .0850 | ICB |
| \$15,000 | .0875 | .0850 | .0825 | ICB |
| \$25,000 | .0850 | .0825 | .0800 | ICB |
| \$50,000 | .0825 | .0800 | .0775 | ICB |

IF NET MONTHLY USAGE IS LESS THAN THE GUARANTEED MINIMUM,
CUSTOMER WILL BE BILLED GUARANTEED MINIMUM

MONTHLY T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 LINE CHARGES: ACTUAL TELCO COSTS

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL: \$50

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SECTION 4 - MAXIMUM RATES, CONT.

4.15 INBOUND 800 SWITCHED MONTH TO MONTH SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.20 | \$.17 | \$.17 |

VOLUME DISCOUNTS:

USAGE INTRASTATE DISCOUNT

\$ 100.00 - \$ 999.99 = 7.25%

\$1000.00 - \$1,999.99 = 10%

\$2000.00 - \$2,999.99 = 12%

\$3000+ = 15%

MONTHLY CHARGE: \$5 (per 800 Number)

INSTALLATION: \$15 (per 800 Service Order)

MONTHLY CALL DETAIL: \$5

4.16 INBOUND 800 SWITCHED TERM SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.15 | \$.13 | \$.13 |

MONTHLY CHARGE: \$5 (per 800 Number)

INSTALLATION: \$15 (per 800 Service Order)

MONTHLY CALL DETAIL: \$5

IF CUSTOMER'S OUTBOUND SWITCHED ACCESS RATE PLAN IS EASY ONE WATS,
THE FOLLOWING DISCOUNTS ARE APPLIED TO 800 SWITCHED TERM SERVICE:

| MONTHLY USAGE | DISCOUNT |
|--------------------|----------|
| \$ 500 - \$1499.99 | 5% |
| \$1500 - \$2999.99 | 10% |
| \$3000+ | 15% |

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SECTION 4 - MAXIMUM RATES, CONT.

4.17 INBOUND TOP 20 800 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.17 | \$.16 | \$.15 |

VOLUME DISCOUNTS:

| USAGE | INTRASTATE DISCOUNT |
|----------------------|---------------------|
| \$ 100.00 - \$499.99 | = 0% |
| \$ 500.00 - \$999.99 | = 2.75% |
| \$1000.00+ | + 5% |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

4.18 INBOUND TWO STEP 800 RATES

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|------|---------|---------------|
| ALL | .170 | .160 | .150 |

MONTHLY CHARGE: \$5 (per 800 Number) *
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

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SECTION 4 - MAXIMUM RATES, CONT.

4.19 INBOUND TWO STEP II 800 RATES

STEP 1 - \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .140 | .135 | .135 |
| INTERLATA | ALL | .145 | .140 | .140 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .135 | .130 | .130 |
| INTERLATA | ALL | .140 | .135 | .135 |

MONTHLY CHARGE: \$5 (per 800 Number)*
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

* The monthly product fee will be waived for customers with at least one phone line on Westel's Inbound Two Step II 800 service.

4.20 INBOUND EASY ONE WATS 800 SERVICE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|--------|---------|---------------|
| ARIZONA | ALL | \$.185 | \$.175 | \$.175 |

VOLUME DISCOUNTS:

| | |
|-----------------------|---------------------|
| USAGE | INTRASTATE DISCOUNT |
| \$ 100.00 - \$ 999.99 | = 7.25% |
| \$1000.00 - \$1999.99 | = 10% |
| \$2000.00 - \$2999.99 | = 12% |
| \$3000.00+ | = 15% |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

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SECTION 4 - MAXIMUM RATES, CONT.

4.21 INBOUND SELECT 800 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.20 | \$.17 | \$.17 |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

4.22 INBOUND WORLD CLASS 2000 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|------|---------|---------------|
| ALL | .120 | .120 | .120 |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

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SECTION 4 - MAXIMUM RATES, CONT.

4.23 INBOUND 800 SUPER WATS I SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.095 | \$.095 |

VOLUME DISCOUNTS:

| USAGE | INTRASTATE DISCOUNT |
|---------------------|---------------------|
| \$5000.00 - 1499.99 | = 5% |
| \$1500.00+ | = 10% |

MONTHLY CHARGE T-1 LINE CHARGE = ACTUAL TELCO COST
INSTALLATION T-1 CHARGES: ACTUAL TELCO COST

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL FEE: \$50

4.24 INBOUND 800 SUPER WATS I TERM PLAN SERVICE

| MINIMUM BILLING | TERM IN MONTHS | | | |
|-----------------|----------------|-------|-------|-----|
| | 12 | 18 | 24 | 36 |
| \$ 3,500 | .0950 | .0925 | .0900 | ICB |
| \$15,000 | .0900 | .0875 | .8500 | ICB |

IF NET MONTHLY USAGE LESS THAN THE GUARANTEED MINIMUM,
CUSTOMER WILL BE BILLED THE GUARANTEED MINIMUM

MONTHLY T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 CHARGES: ACTUAL TELCO COSTS
CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL FEE: \$50.00
MONTHLY FEE PER 800 NUMBER: \$10

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

A.C.C. Tariff No. 2
Page 38, Original

Interexchange Service Tariff

SECTION 4 - MAXIMUM RATES, CONT.

4.25 INBOUND 800 SUPER WATS II SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.095 | \$.095 |

MONTHLY CHARGE LINE CHARGE: ACTUAL TELCO COST
INSTALLATION LINE CHARGES: ACTUAL TELCO COST
MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER
800 NUMBER ORDER INSTALLATION: \$15
MONTHLY CALL DETAIL: \$5

4.26 INBOUND 800 SUPER WATS III SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.140 | \$.120 | \$.110 |

MONTHLY WAL LINE CHARGE PER LINE: \$25
INSTALLATION LINE CHARGE PER WAL LINE: \$175
MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER
800 NUMBER ORDER INSTALLATION: \$15
MONTHLY CALL DETAIL: \$5

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

A.C.C. Tariff No. 2
Page 39, Original

Interexchange Service Tariff

SECTION 4 - MAXIMUM RATES, CONT.

4.27 INBOUND WORLD CLASS 2000 T-1 800 SERVICE

| USAGE | MO. TO MO. | 12 MO. | 24 MO. | 36 MO. |
|----------|------------|---------|---------|---------|
| \$ 3,500 | \$.1100 | \$.0950 | \$.0900 | \$.0850 |
| \$ 7,500 | \$.1075 | \$.0900 | \$.0850 | \$.0800 |
| \$15,000 | \$.1050 | \$.0850 | \$.0800 | \$.0775 |
| \$25,000 | \$.1025 | \$.0800 | \$.0750 | \$.0725 |
| \$50,000 | \$.1000 | \$.0750 | \$.0725 | \$.0700 |

IF NET MONTHLY USAGE LESS THAN THE GUARANTEED MINIMUM, CUSTOMER WILL BE BILLED THE GUARANTEED MINIMUM

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS

INSTALLATION T-1 LINE COSTS: ACTUAL TELCO COSTS

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500

CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

MONTHLY CALL DETAIL FEE: \$50

MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER

800 NUMBER ORDER INSTALLATION: \$15

4.28 TRAVEL CARD SERVICE

| DAY | | | EVENING | | | NIGHT/WEEKEND | | |
|---------------|---------------|-------|---------------|---------------|-------|---------------|---------------|-------|
| Initial | Each | Add'l | Initial | Each | Add'l | Initial | Each | Add'l |
| <u>Minute</u> | <u>Minute</u> | | <u>Minute</u> | <u>Minute</u> | | <u>Minute</u> | <u>Minute</u> | |
| | \$.35/ | .25 | | \$.30/ | .25 | | \$.20/ | .20 |

4.29 ASSOCIATION PROGRAM "A" SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|------------------|---------|---------|---------------|
| ALL | \$.2150 | \$.2050 | \$.1950 |
| COMMISSION PAID: | 10% | | |

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Service Tariff

SECTION 4 - MAXIMUM RATES, CONT.**4.30 ASSOCIATION PROGRAM "B" SERVICE**

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------------------|---------|---------|---------------|
| ALL | \$.1600 | \$.1400 | \$.1200 |
| COMMISSION PAID: 7% | | | |

4.31 ASSOCIATION PROGRAM "C" SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------------------|---------|---------|---------------|
| ALL | \$.1400 | \$.1100 | \$.1100 |
| COMMISSION PAID: 3% | | | |

4.32 OTHER SERVICES

- 4.32.1 PROJECT CODES**
 - NON-VERIFIED: NO CHARGE
 - VERIFIED: \$20 MONTHLY
- 4.32.2 AUTHORIZATION CODES**
 - \$2.00 PER CODE
- 4.32.3 GROUP BILLING**
 - \$20 MONTHLY
- 4.32.4 MASTER BILLING**
 - \$35 MONTHLY MASTER ACCOUNT FEE
 - \$5 MONTHLY LOCATION FEE
- 4.32.5 DIRECTORY ASSISTANCE**
 - \$.60 PER CALL

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Title Page, Original

Interexchange Services Price List

PRICE LIST OF

WESTEL, INC.

This price list contains the rates applicable to the furnishing of Intrastate Resale Common Carrier Communications offered by Westel, Inc. between points within Arizona.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Page 1, Original

Interexchange Services Price List

CURRENT RATES

Computation of Charges

Usage charges for service will be based on the total duration of the call, the time of day at which the service was used and applicable monthly charges.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

1. OUTBOUND MTS SERVICE

| MILEAGE | DAY | | EVE | | N/WE | |
|---------|-------------------|----------------------|-------------------|----------------------|-------------------|----------------------|
| | Initial Minute | Each Add'l Minute | Initial Minute | Each Add'l Minute | Initial Minute | Each Add'l Minute |
| 0-10 | \$.185/ | .165 | .155/ | .135 | .135/ | .135 |
| 11-22 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 23-55 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 56-124 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 125-292 | .195/ | .185 | .155/ | .145 | .135/ | .125 |
| 293+ | .195/ | .185 | .155/ | .145 | .135/ | .125 |

2. OUTBOUND TWO STEP SERVICE

STEP I \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .140 | .135 | .135 |
| INTERLATA | ALL | .150 | .145 | .140 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|------------|---------|------|---------|---------------|
| INTRALATA | ALL | .135 | .130 | .125 |
| INTRASTATE | ALL | .145 | .140 | .135 |

Monthly Fee (Steps I & II): \$5.00*

* The monthly fee will be waived if monthly usage exceeds \$50.00.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

3. OUTBOUND TWO STEP II SERVICE

STEP I \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTERLATA | ALL | .130 | .125 | .125 |
| INTRALATA | ALL | .125 | .120 | .120 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .120 | .115 | .115 |
| INTERLATA | ALL | .125 | .120 | .120 |

MONTHLY FEE: \$5.00*

* The monthly fee will be waived for customers of Two Step II Inbound Service, whose total monthly usage exceeds \$500.00.

4. OUTBOUND EASY ONE WATS SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .140 | .110 | .110 |

MONTHLY FEE: \$5.00

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

5. OUTBOUND DIAL 1 WATS SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .170 | .150 | .150 |

| | |
|------------------|-----------------------------|
| VOLUME DISCOUNT: | \$ 100.00 - \$ 499.99 = 5% |
| | \$ 500.00 - \$1499.99 = 10% |
| | \$1500.00 - \$2999.99 = 15% |
| | \$3000.00+ = 20% |

MONTHLY FEE: \$10

6. OUTBOUND SELECT SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .160 | .140 | .120 |

7. OUTBOUND TOP 20 SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .140 | .110 | .110 |

MONTHLY FEE: \$15.00*

* The monthly fee will be waived where monthly usage exceeds \$150.00.

8. OUTBOUND WORLD CLASS 2000 SERVICE

| MILEAGE | DAY | EVENING | NIGHT |
|---------|------|---------|-------|
| ALL | .120 | .120 | .120 |

MONTHLY FEE: \$15.00*

* The monthly fee will be waived where monthly usage exceeds \$100.00.

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

9. OUTBOUND WORLD CLASS 2000 T-1 SERVICE

| USAGE | MO. TO MO. | 12 MO. | 24 MO. | 36 MO. |
|----------|------------|---------|---------|---------|
| \$3,500 | \$.1000 | \$.0950 | \$.0900 | \$.0850 |
| \$7,500 | \$.0975 | \$.0900 | \$.0850 | \$.0800 |
| \$15,000 | \$.0950 | \$.0850 | \$.0800 | \$.0775 |
| \$25,000 | \$.0925 | \$.0800 | \$.0750 | \$.0725 |
| \$50,000 | \$.0900 | \$.0750 | \$.0725 | \$.0700 |

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 LINE COSTS: ACTUAL TELCO COSTS

THE NET MONTHLY USAGE LEVEL COMMITMENT IS A GUARANTEED MINIMUM
BILLED AMOUNT

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL FEE: \$50

10. OUTBOUND SUPER WATS 1 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|---------|---------------|
| ALL | \$.1050 | \$.1000 | \$.1000 |

VOLUME DISCOUNTS: \$ 5,000.00 - \$14,999.99 = 5%
\$15,000.00+ = 10%

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 COST: ACTUAL TELCO COSTS
CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Page 6, Original

Interexchange Services Price List

CURRENT RATES, CONT.

11. OUTBOUND SUPER WATS II SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.1000 | \$.1000 |

MONTHLY DAL LINE CHARGE: ACTUAL TELCO COSTS PLUS \$15
INSTALLATION DAL LINE CHARGE: ACTUAL TELCO COSTS

12. OUTBOUND SUPER WATS III SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|---------|---------------|
| ALL | \$.1250 | \$.1150 | \$.1150 |

MONTHLY WAL LINE CHARGE PER LINE: \$25
INSTALLATION WAL LINE CHARGE PER LINE: \$175

CALL DETAIL \$50.00 MONTH

13. OUTBOUND SUPER WATS 1 TERM PLAN SERVICE

| MINIMUM BILLING | TERM IN MONTHS | | | |
|-----------------|----------------|-------|-------|-----|
| | 12 | 18 | 24 | 36 |
| \$ 3,500 | .0975 | .0950 | .0925 | ICB |
| \$ 5,000 | .0900 | .0875 | .0850 | ICB |
| \$15,000 | .0875 | .0850 | .0825 | ICB |
| \$25,000 | .0850 | .0825 | .0800 | ICB |
| \$50,000 | .0825 | .0800 | .0775 | ICB |

IF NET MONTHLY USAGE IS LESS THAN THE GUARANTEED MINIMUM,
CUSTOMER WILL BE BILLED GUARANTEED MINIMUM

MONTHLY T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 LINE CHARGES: ACTUAL TELCO COSTS

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL: \$50

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

14. INBOUND 800 SWITCHED MONTH TO MONTH SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.20 | \$.17 | \$.17 |

VOLUME DISCOUNTS:

USAGE INTRASTATE DISCOUNT

\$ 100.00 - \$ 999.99 = 7.25%

\$1000.00 - \$1,999.99 = 10%

\$2000.00 - \$2,999.99 = 12%

\$3000+ = 15%

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

15. INBOUND 800 SWITCHED TERM SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.15 | \$.13 | \$.13 |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

IF CUSTOMER'S OUTBOUND SWITCHED ACCESS RATE PLAN IS EASY ONE WATS,
THE FOLLOWING DISCOUNTS ARE APPLIED TO 800 SWITCHED TERM SERVICE:

| MONTHLY USAGE | DISCOUNT |
|--------------------|----------|
| \$ 500 - \$1499.99 | 5% |
| \$1500 - \$2999.99 | 10% |
| \$3000+ | 15% |

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Page 8, Original

Interexchange Services Price List

CURRENT RATES, CONT.

16. INBOUND TOP 20 800 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.17 | \$.16 | \$.15 |

VOLUME DISCOUNTS:

| USAGE | INTRASTATE DISCOUNT |
|----------------------|---------------------|
| \$ 100.00 - \$499.99 | = 0% |
| \$ 500.00 - \$999.99 | = 2.75% |
| \$1000.00+ | + 5% |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

17. INBOUND TWO STEP 800 RATES

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|------|---------|---------------|
| ALL | .170 | .160 | .150 |

MONTHLY CHARGE: \$5 (per 800 Number)*
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

18. INBOUND TWO STEP II 800 RATES

STEP 1 - \$0 - \$499.99 MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .140 | .135 | .135 |
| INTERLATA | ALL | .145 | .140 | .140 |

STEP II \$500 + MONTHLY USAGE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|-----------|---------|------|---------|---------------|
| INTRALATA | ALL | .135 | .130 | .130 |
| INTERLATA | ALL | .140 | .135 | .135 |

MONTHLY CHARGE: \$5 (per 800 Number)*
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

* The monthly product fee will be waived for customers with at least one phone line on Westel's Inbound Two Step II 800 service.

19. INBOUND EASY ONE WATS 800 SERVICE

| RANGE | MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|--------|---------|---------------|
| ARIZONA | ALL | \$.185 | \$.175 | \$.175 |

VOLUME DISCOUNTS:

| USAGE | INTRASTATE DISCOUNT |
|-----------------------|---------------------|
| \$ 100.00 - \$ 999.99 | = 7.25% |
| \$1000.00 - \$1999.99 | = 10% |
| \$2000.00 - \$2999.99 | = 12% |
| \$3000.00+ | = 15% |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Page 10, Original

Interexchange Services Price List

CURRENT RATES, CONT.

20. INBOUND SELECT 800 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-------|---------|---------------|
| ALL | \$.20 | \$.17 | \$.17 |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

21. INBOUND WORLD CLASS 2000 SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|------|---------|---------------|
| ALL | .120 | .120 | .120 |

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL: \$5

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.

22. INBOUND 800 SUPER WATS I SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.095 | \$.095 |

VOLUME DISCOUNTS:

| USAGE | INTRASTATE DISCOUNT |
|---------------------|---------------------|
| \$5000.00 - 1499.99 | = 5% |
| \$1500.00+ | = 10% |

MONTHLY CHARGE T-1 LINE CHARGE = ACTUAL TELCO COST
INSTALLATION T-1 CHARGES: ACTUAL TELCO COST

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

MONTHLY CHARGE: \$5 (per 800 Number)
INSTALLATION: \$15 (per 800 Service Order)
MONTHLY CALL DETAIL FEE: \$50

23. INBOUND 800 SUPER WATS I TERM PLAN SERVICE

| MINIMUM BILLING | TERM IN MONTHS | | | |
|-----------------|----------------|-------|-------|-----|
| | 12 | 18 | 24 | 36 |
| \$ 3,500 | .0950 | .0925 | .0900 | ICB |
| \$15,000 | .0900 | .0875 | .8500 | ICB |

IF NET MONTHLY USAGE LESS THAN THE GUARANTEED MINIMUM,
CUSTOMER WILL BE BILLED THE GUARANTEED MINIMUM

MONTHLY T-1 LINE CHARGE: ACTUAL TELCO COSTS
INSTALLATION T-1 CHARGES: ACTUAL TELCO COSTS
CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500
CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400
MONTHLY CALL DETAIL FEE: \$50.00
MONTHLY FEE PER 800 NUMBER: \$10

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

WESTEL, INC.

Price List
Page 12, Original

Interexchange Services Price List

CURRENT RATES, CONT.

24. INBOUND 800 SUPER WATS II SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.105 | \$.095 | \$.095 |

MONTHLY CHARGE LINE CHARGE: ACTUAL TELCO COST
INSTALLATION LINE CHARGES: ACTUAL TELCO COST
MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER
800 NUMBER ORDER INSTALLATION: \$15
MONTHLY CALL DETAIL: \$5

25. INBOUND 800 SUPER WATS III SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|--------|---------|---------------|
| ALL | \$.140 | \$.120 | \$.110 |

MONTHLY WAL LINE CHARGE PER LINE: \$25
INSTALLATION LINE CHARGE PER WAL LINE: \$175
MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER
800 NUMBER ORDER INSTALLATION: \$15
MONTHLY CALL DETAIL: \$5

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List**CURRENT RATES, CONT.****26. INBOUND WORLD CLASS 2000 T-1 800 SERVICE**

| USAGE | MO. TO MO. | 12 MO. | 24 MO. | 36 MO. |
|----------|------------|---------|---------|---------|
| \$ 3,500 | \$.1100 | \$.0950 | \$.0900 | \$.0850 |
| \$ 7,500 | \$.1075 | \$.0900 | \$.0850 | \$.0800 |
| \$15,000 | \$.1050 | \$.0850 | \$.0800 | \$.0775 |
| \$25,000 | \$.1025 | \$.0800 | \$.0750 | \$.0725 |
| \$50,000 | \$.1000 | \$.0750 | \$.0725 | \$.0700 |

IF NET MONTHLY USAGE LESS THAN THE GUARANTEED MINIMUM, CUSTOMER
WILL BE BILLED THE GUARANTEED MINIMUM

MONTHLY RECURRING T-1 LINE CHARGE: ACTUAL TELCO COSTS

INSTALLATION T-1 LINE COSTS: ACTUAL TELCO COSTS

CHANNEL BANK (IF NECESSARY) INSTALLATION: \$500

CHANNEL BANK (IF NECESSARY) MONTHLY FEE: \$400

MONTHLY CALL DETAIL FEE: \$50

MONTHLY 800 NUMBER CHARGE: \$5 PER 800 NUMBER

800 NUMBER ORDER INSTALLATION: \$15

27. TRAVEL CARD SERVICE

| DAY | | | EVENING | | | NIGHT/WEEKEND | | |
|---------------|---------------|-------|---------------|---------------|-------|---------------|---------------|-------|
| Initial | Each | Add'l | Initial | Each | Add'l | Initial | Each | Add'l |
| <u>Minute</u> | <u>Minute</u> | | <u>Minute</u> | <u>Minute</u> | | <u>Minute</u> | <u>Minute</u> | |
| | \$.35 | /.25 | | \$.30 | /.25 | | \$.20 | /.20 |

28. ASSOCIATION PROGRAM "A" SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|---------|---------|---------------|
| ALL | \$.2150 | \$.2050 | \$.1950 |

COMMISSION PAID: 10%

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

Interexchange Services Price List

CURRENT RATES, CONT.**29. ASSOCIATION PROGRAM "B" SERVICE**

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-----|---------|---------------|
|---------|-----|---------|---------------|

| | | | |
|-----|---------|---------|---------|
| ALL | \$.1600 | \$.1400 | \$.1200 |
|-----|---------|---------|---------|

COMMISSION PAID: 7%

30. ASSOCIATION PROGRAM "C" SERVICE

| MILEAGE | DAY | EVENING | NIGHT/WEEKEND |
|---------|-----|---------|---------------|
|---------|-----|---------|---------------|

| | | | |
|-----|---------|---------|---------|
| ALL | \$.1400 | \$.1100 | \$.1100 |
|-----|---------|---------|---------|

COMMISSION PAID: 3%

31. OTHER SERVICES**31.1 PROJECT CODES**

| | |
|---------------|--------------|
| NON-VERIFIED: | NO CHARGE |
| VERIFIED: | \$20 MONTHLY |

31.2 AUTHORIZATION CODES

\$2.00 PER CODE

31.3 GROUP BILLING

\$20 MONTHLY

31.4 MASTER BILLING

\$35 MONTHLY MASTER ACCOUNT FEE

\$5 MONTHLY LOCATION FEE

31.5 DIRECTORY ASSISTANCE

\$.60 PER CALL

ISSUED:

EFFECTIVE:

ISSUED BY: Tom K. Garner, President
111 Congress Avenue, Suite 600
Austin, Texas 78731

ATTACHMENT C

Calls access the Westel network via local exchange company switched facilities. Calls are routed to a centralized location in Phoenix, Arizona. The Phoenix facility includes a Stromberg Carlson DCO 200SX switch, which is owned by Westel, Inc.

The facilities of carriers such as IXC and Electric Lightwave are used to complete the applicant's intrastate traffic.

ATTACHMENT D



May 28, 1996

Mr. John Wallace
Manager, Revenue Requirements Analysis
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: Westel, Inc.'s Application for a Certificate of Convenience and Authority to Provide
Competitive Interlata/Intralata Resold Telecommunication Services

Dear Mr. Wallace:

Westel, Inc. was organized and incorporated in August, 1981 and is currently in good standing in the state of Texas. Westel is a profitable, ongoing business concern and is not currently under any encumbrances that would prevent it from continuing to do business.

It is anticipated that Westel's working capital is more than sufficient to sustain the current level of operation. Westel also anticipates being able to fund any short term capital improvements from current cash reserves. Westel is not encumbered with any short or long term debt.

Additionally, since 1981, Westel, Inc. has maintained a Federal Communications Commission 214 certification and has been registered with the Public Utilities Commission in the state of Texas.

Your assistance in expediting our application is greatly appreciated. If you need any additional information regarding Westel, Inc.'s financial assurance portion of the Application for a Certificate of Convenience and Authority to Provide Competitive Interlata/Intralata Resold Telecommunication Services being filed with the Utilities Division, please do not hesitate to contact me directly at (512) 480-5530.

Best regards,

Darlene C. Rutland, C.P.A.
Corporate Controller



WESTEL, INC.
ARIZONA BALANCE SHEET
DECEMBER 31, 1995 & 1994
UNAUDITED

| ASSETS | 12/31/95 | 12/31/94 |
|--|------------------|------------------|
| Current Assets | | |
| Cash on Hand | \$150 | \$150 |
| Accts. Receivable | \$197,287 | \$177,990 |
| Notes Receivable | \$482 | \$346 |
| Prepaid Expenses | \$1,760 | \$1,902 |
| Deposits | \$2,027 | \$2,720 |
| Tot. Current Assets | \$201,706 | \$183,107 |
| Inter-Company Acct. | \$159,374 | \$0 |
| Property and Equipment | | |
| Furniture, Fixtures & Eqpt. | \$216,286 | \$214,798 |
| Less: Accum. Depreciation | (\$131,482) | (\$91,066) |
| Property and Equipment, net | \$84,804 | \$123,711 |
| Total Assets | \$445,884 | \$306,818 |
| Current Liabilities | | |
| Accounts Payable | \$56,514 | \$31,371 |
| Taxes Payable | \$3,929 | \$2,825 |
| Accrued Expenses | \$3,547 | \$5,580 |
| Deposits Payable | \$100 | \$100 |
| Tot. Current Liabilities | \$64,090 | \$39,876 |
| Total Liabilities | \$64,090 | \$39,876 |
| Stockholders Equity | | |
| Retained Earnings | \$266,943 | \$140,131 |
| Net Income Year to Date | \$114,851 | \$126,812 |
| Tot. Stockholders' Equity | \$381,794 | \$266,943 |
| Tot. Liabilities and Stockholders' Equity | \$445,884 | \$306,818 |

NOTE:

A portion of the parent company Accounts Receivable and Accounts Payable were allocated to Arizona in 1995 and 1994. The Intercompany Accounts Receivable account was offset to Retained Earnings in 1994 in order to produce the Arizona balance sheet.



WESTEL, INC.
ARIZONA INCOME STATEMENT
ACCRUAL BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1995

| | <u>Total Arizona</u> | <u>Intrastate Allocation (26%)</u> |
|-----------------------|--------------------------|--|
| Long Distance Revenue | \$1,901,999 | \$494,520 |
| Less: Cost of Sales | \$1,210,866 | \$314,825 |
| Gross Margin | \$691,133 | \$179,695 |
| Operating Expenses | \$576,282 | \$149,833 |
| Net Income | \$114,851 | \$29,861 |

NOTE:

The above Income Statement was prepared on the accrual basis.
Intrastate revenue using the cash basis was \$454,223 for 1995.



WESTEL, INC.
ARIZONA INCOME STATEMENT
ACCRUAL BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1994

| | Total Arizona | Intrastate Allocation (22%) |
|-----------------------|------------------|--------------------------------|
| Long Distance Revenue | \$1,460,532 | \$321,317 |
| Less: Cost of Sales | \$913,630 | \$200,999 |
| Gross Margin | \$546,902 | \$120,318 |
| Operating Expenses | \$420,090 | \$92,420 |
| Net Income | \$126,812 | \$27,899 |

NOTE:

The above Income Statement was prepared on the accrual basis.
Intrastate revenue using the cash basis was \$288,983 for 1994.



WESTEL, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1996
INCREASE (DECREASE) IN CASH
UNAUDITED

| | |
|--|---------------------|
| Cash flows from operating activities: | |
| Net income | \$114,851 |
| Adjustments to reconcile net income to net cash provided by operating activities: | |
| Depreciation | \$40,396 |
| Increase in net accounts receivable | (\$19,298) |
| Decrease in deposits | \$693 |
| Decrease in prepaid expenses | \$142 |
| Increase in notes receivable | (\$136) |
| Increase in intercompany accounts receivable | (\$159,374) |
| Increase in accounts payable | \$25,142 |
| Increase in taxes payable | \$1,104 |
| Decrease in accrued expenses | (\$2,033) |
| Total adjustments | <u>(\$113,363)</u> |
| Net cash provided by operating activities | <u>\$1,488</u> |
| Cash flows from investing activities: | |
| Purchase of equipment | (\$1,488) |
| Net increase in cash | <u>\$0</u> |
| Cash at beginning of year | \$150 |
| Cash at end of year | <u><u>\$150</u></u> |